

September 12, 2007



Mr. Mark Merchen, Manager of Economic Development  
3250 E.Hwy.44  
PO Box 3486  
Rapid City, SD 57709-3486

Subject: Additional Investigation (Phase 2) of the Feasibility of Extending the Service Area of a Multi-Jurisdictional WWTF located in the City of Box Elder

Dear Mark:

We appreciate the opportunity to develop this proposal to assist you in investigating the feasibility and cost effectiveness of extending utility service to the northern portion of Rapid City and into the Piedmont area of Meade and Pennington Counties. We have worked with you and others to identify the appropriate scope of work and have outlined our understanding in this letter. We have also estimated the staff hours necessary to complete this work and develop a memorandum that presents the findings and recommendations of this evaluation. We have included three trips to the region as part of this effort to assure that we continue the close working relationship so that the findings reflect the extensive local knowledge available in the project team.

We anticipate the scope of work to include the following tasks:

1. Develop a Project Work Plan and share a Draft with the Project Team.
2. Meet on site with the Project Team to review the Work Plan, discuss expectations of each member, gather/verify information, and review routing opportunities for the utility corridor.
3. Progress Meeting on site to review the findings to date at the mid point of the development of the Technical Report to update the Project Team and receive comments to improve the quality of the Report.
4. Final Meeting on site to present the Final Report and answer any questions from the Team and/or the broader public as determined by the Project Team.
5. Active Project Management of the project performance including periodic status reports to the Project Team and contact as necessary to gather necessary information and discuss the findings between meetings.
6. Develop a Draft and Final Technical Report that will include the following focus areas:
  - a. Data gathering/evaluation to establish the baseline conditions and the likely cost of service under the no action alternative.
  - b. Investigate the feasibility and cost (capital and operations) of extending utility service beyond the present end of the City of Box Elder Interceptor Sewer to serve the North end of Rapid City.



- c. Investigate the feasibility and capital cost of extension beyond this point into the Box Elder Creek drainage west of Elkvale Rd. to the Stage Barn I-90 exit (including a rural water return line to serve the Box Elder Creek drainage area.
- d. Investigate the feasibility and cost to utilize the Rapid City WWTF as a Multi-Jurisdictional WWTF.

The staff hours and expenses to complete this work have been estimated assuming that the Project Team members that we have been working with will continue to be available and assist us throughout the project. We have not included efforts to re-establish the costs of transport and treatment of wastewater in the current fashion for the short and the long term, but have assumed that the Team Members will share their findings and expectations. We anticipate that this work will require a budget reserve of approximately \$66,500.

If you have any questions on this proposal or would like to discuss the tasks associated with the work to assure that we have met all your expectations, please feel free to call me or Kyle Coolidge at 1-800-426-4262 or by email at [jfitch@woodardcurran.com](mailto:jfitch@woodardcurran.com) or [kcoolidge@woodardcurran.com](mailto:kcoolidge@woodardcurran.com). We appreciate this opportunity to continue our working relationship with you and look forward to assisting you with this exciting project.

Sincerely,

WOODARD & CURRAN INC.

  
James H. Fitch, Jr., P.E.  
VICE PRESIDENT

JHF/rh